

Case study of the onchocerciasis trust funds (1974-present)

Background – Onchocerciasis financing at the World Bank:

The Onchocerciasis Control Programme (OCP), initiated in partnership with the World Health Organization (WHO) in 1974, was the World Bank's first intercountry health programme and its first use of a trust fund in the health sector (4, 42). It began an international attack on onchocerciasis – a vector-borne tropical disease often resulting in permanent blindness – in eleven West African countries. The programme primarily funded vector control activities and, later, the identification, testing, and distribution of a new drug (ivermectin) for disease prevention. As both a donor to and trustee of the fund, IBRD took charge of marshalling donor investment in the programme (43). By 1995, the Onchocerciasis Control Programme investment was considered so successful that the bank and WHO launched a new trust fund programme, the African Programme for Onchocerciasis Control (APOC), to spread mass-drug administration of ivermectin to 20 additional African countries (44). In 2016, the WHO released the framework for a third programme for onchocerciasis control in Africa, the Expanded Special Programme for the Elimination of Neglected Tropical Diseases (ESPEN). The Expanded Special Programme relies on a complex trust fund mechanism to control onchocerciasis and four other neglected tropical diseases (45).

Benefits of the onchocerciasis funds for the World Bank and donors:

The onchocerciasis programmes illuminate the four drivers – flexibility, ability to capture international momentum, narrowly-defined goals and measurable outcomes, and utility in funding innovative activities – of the bank's health trust fund model:

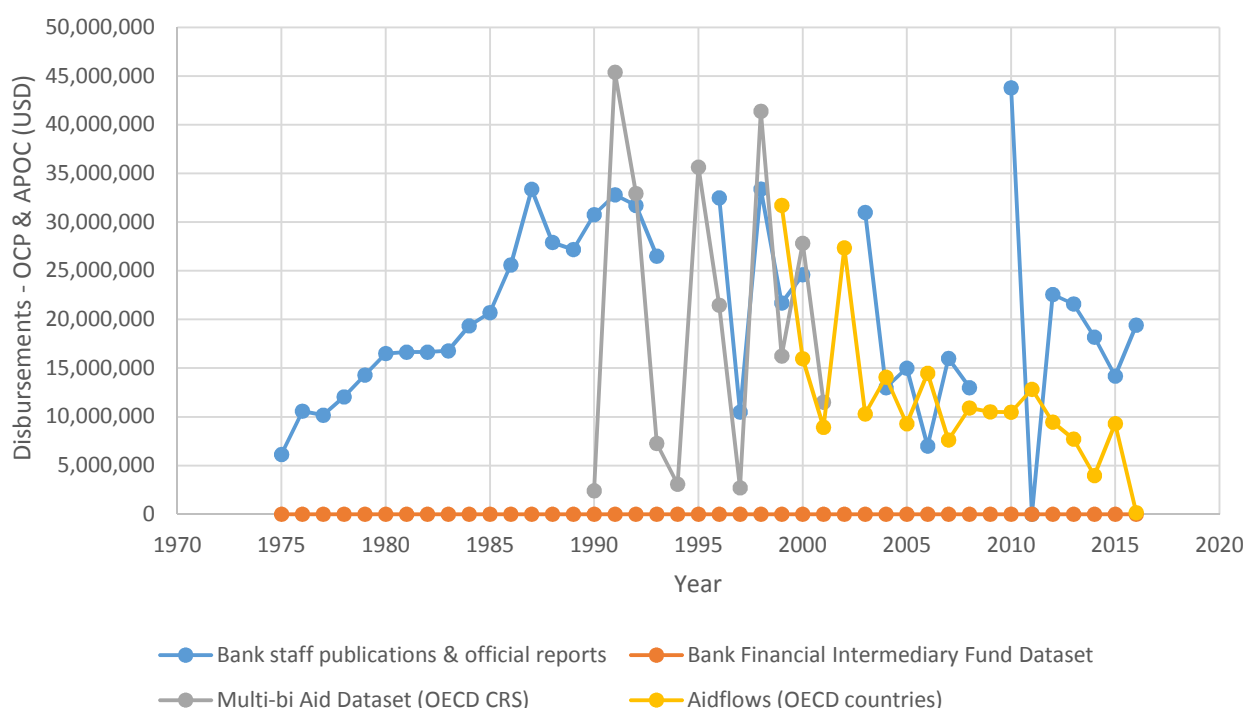
- **Flexibility:** Mostly sovereign states and multilateral institutions contributed to the initial programme, the Onchocerciasis Control Programme (46). Following the success of its chemotherapy project in the 1980s, the flexibility of financial intermediary funds allowed Merck & Co. (a private corporation and developer of ivermectin) to enter as a donor. The African Programme for Onchocerciasis Control ultimately accepted funding from foundations, philanthropists, and the private sector, totaling a full 25% of its budget (47). The onchocerciasis funds further attracted donors because they retained the benefits of the bank as a secure multilateral financial institution. For example, records obtained from the bank archives indicate that some donors, particularly the United States, insisted that they would only be involved in the neglected tropical disease control programmes if their investments were given the security of a bank trusteeship (48). Additionally, the bank was able to retain many donors over nearly 40 years because the flexible trust fund structure allowed them to offer donors significant decision-making power, through representation on the programme's governing body (the Joint Programme Committee or Joint Action Forum, 42-43, 47).
- **Harnessing international momentum:** The first onchocerciasis trust fund was established following a series of high profile meetings on onchocerciasis (42). The programme was launched in spite of the relatively low burden of onchocerciasis compared to other infectious diseases and the fact that the bank had never been involved in a health project. Bank President Robert McNamara decided that the bank should become involved in a regional onchocerciasis problem, as a way to promote his poverty-alleviation agenda and emphasize the importance of health to international development (49-50). He quickly had the fund set-up and had the board of executive directors approve an IBRD donation of approximately 10% of annual programme expenses (51). Donors signed the first fund agreement in 1974, and funds were disbursed that same year, then on a quarterly basis each year, to the WHO for implementation (42-43, 47).
- **Narrowly-defined goals and measurable outcomes:** During the Onchocerciasis Control Programme, the WHO provided donors with clear numbers – such as the number of cases of blindness prevented and number of community distributors of ivermectin trained – that they could use to defend their investments (44, 52). While this funding was pooled without exceptions, the African Programme for Onchocerciasis Control gave donors more flexibility in earmarking their funds. For instance, Canada gave aid to all countries but had a specific preference on gender, and the United States directed funds to specific countries, including Mali, Senegal, and Ghana (53). The third iteration of the programme allows for even more earmarking, as pooled donor funds can be formally restricted to certain countries/regions or disease control activities (45). This allows donors to trace what their funding has bought at the country level.
- **Fostering innovative projects and financing mechanisms:** The Onchocerciasis Control Programme relied on unprecedented regional use of technologies, technical assistance, and research. Numerous aircrafts were required to spray insecticides in rivers both within countries and in border areas, as was research into more effective insecticides and drugs (42). These needs fell well outside of the capacity of any single African country's capabilities, but also did not match traditional bank investments, which in the 1970s did not include infectious disease control (49). A trust fund allowed the bank to begin a health sector project for the first time, and to pool funds for use across many countries.

Risks of the onchocerciasis funds for the World Bank and donors:

The onchocerciasis programmes also demonstrate three main concerns about the bank's use of voluntary funding for health – that trust funds allow donors to gain undue influence, that projects lack oversight and accountability, and that insufficient information is available to the public:

- **Donor influence and verticalization:** Archival sources indicate that the onchocerciasis programmes were beholden to donor pressures. Major donors were able to steer the Onchocerciasis Control Programme in the direction of chemotherapy research in the 1980s, and the programme invested significant resources visiting prospective donors and holding donor meetings (54-55). Furthermore, while the Onchocerciasis Control Programme is now hailed as an extremely successful public-private partnership (44, 52, 56), it spent more on vector control for onchocerciasis in the Upper Volta (Burkina Faso) alone than the entire Ministry of Health's budget during the late 1970s (57). The first two iterations of the programme have been criticized for beginning a trend of mass-drug administration, in which partnership programmes measure success through the number of drugs delivered for specific diseases (58). The third iteration is designed to avoid some of these criticisms of vertical programmes, by focusing on five diseases and technical assistance for health systems (45). Yet, its allowance of earmarking raises the risk that donors will provide funding to specific countries and diseases, irrespective of their disease burden and health systems status.
- **Bank capacity and accountability erosion:** As they are funded by financial intermediary funds, none of the onchocerciasis programmes are subject to traditional IBRD/IDA safeguards. Little information is publicly available about the customized agreements financial agreements made between donors and the bank for each trust fund, or about precisely which bank staff were involved in administering the funds. Additionally, the bank did not charge overhead or bill bank staff time during the African Programme for Onchocerciasis Control, in spite of the significant costs associated with trust fund negotiations, maintaining donor relations, and monitoring and reporting on the project (53). This may have "hollowed out" core staff capacity to contribute to other health and development projects.
- **Transparency:** Our attempt to track the disbursements of the first two iterations demonstrates the significant hurdles that continue to face external researchers studying trust funds (Figure 4). The graph below shows how tracking onchocerciasis funding through the major tools available to external researchers – official bank publications (Annual IBRD/IDA Reports, Trust Fund Reports, and peer-reviewed articles (59-61)), the World Bank Finances' financial intermediary fund dataset, the OECD-DAC multi-bi dataset (62), and AidFlows – yield radically different expenditure patterns. This limits researchers' ability to study the success of these programmes and their financing mechanisms.

Trust fund expenditure by data source - OCP & APOC



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